

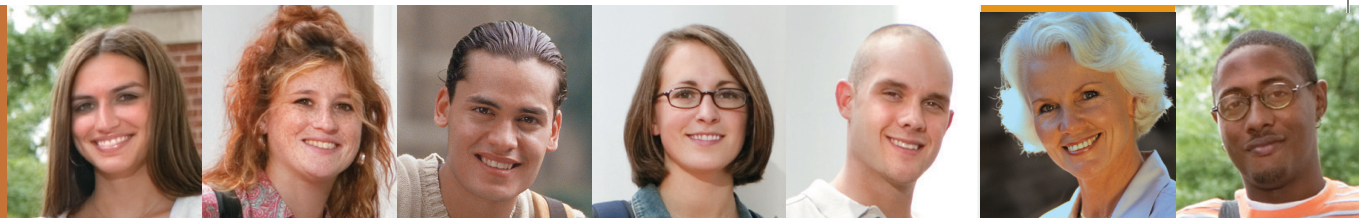
# REACHING HIGHER

*Strategic Initiatives for  
Higher Education in Indiana*



INDIANA COMMISSION  
HIGHER *for* EDUCATION

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More than two years ago, we started a collaborative process to develop aspirational goals for higher education in Indiana and then a set of initiatives to achieve them. *Reaching Higher: Strategic Directions for Indiana* established these goals, and now *Reaching Higher: Strategic Initiatives for Higher Education in Indiana* provides a set of recommendations for achieving them. We believe our state is uniquely positioned to lead the country, if not the world, in higher education, and we owe it to all Hoosiers to try to do so.

This document is the culmination of the best thinking on six important areas. During our deliberations, we worked with the presidents of the state's colleges and universities and invited input, comments and suggestions from a broad array of stakeholders. We held numerous hearings across the state and invited experts from across the country to give us their best advice on these topics.

Please join us in making this vision a reality. Each of us has an important role to play in ensuring that Indiana is a leader in higher education and that all of our citizens benefit from it.

Sincerely yours,

**Christopher J. Murphy III**

*Commission Chair 2007-2008*

On behalf of the Indiana Commission  
for Higher Education

## 2007-2008 Commission Members

*Reaching Higher: Strategic Initiatives for Higher Education in Indiana* was adopted by the Indiana Commission for Higher Education on June 13, 2008.

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INDIANA COMMISSION  
*for*  
HIGHER EDUCATION

# THE TIME IS NOW

Now more than ever, Indiana's future depends on improving the education and skills of its citizens.

## Consider this:

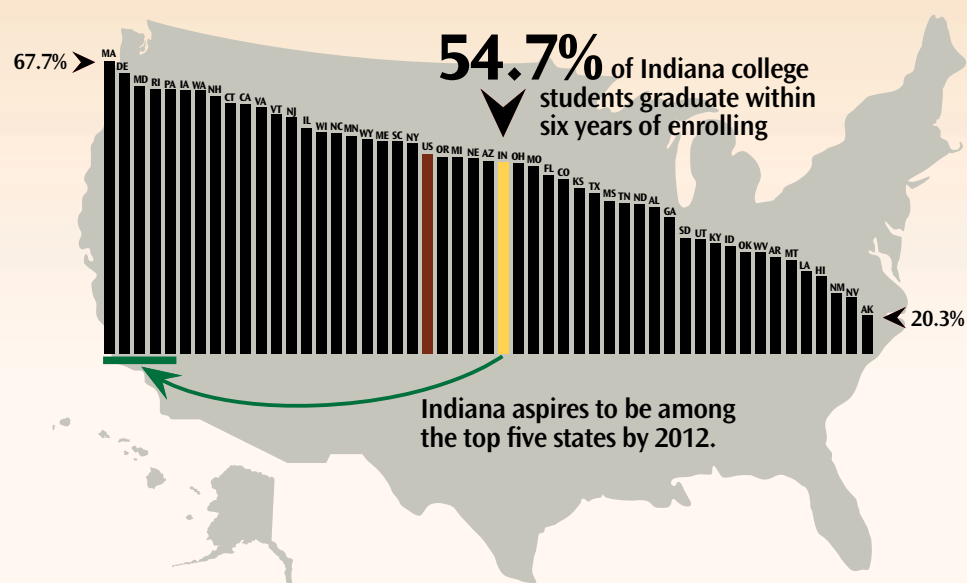
- Indiana currently ranks 35th in the nation in the average personal income of its residents.<sup>1</sup>
- Indiana's economy depends highly on manufacturing, an industry that is changing rapidly in the face of globalization and technological improvements.
- Indiana continues to experience skill shortages in critical occupations such as nursing; math, science and special education teachers; and machine and tool operators.

With increasing national and international competition, high levels of knowledge and creative thinking, educated risk-taking, and entrepreneurial spirit are critical. Ensuring that Indiana's citizens receive a high-quality education is an economic imperative and a moral obligation. The economic well-being of Indiana's citizens and the quality of life of the state's communities are tied directly to the strength of public education. ***To thrive as a state and as individuals, all Hoosiers will need to achieve a depth and breadth of education never seen in the state's history.***

## College Enrollment Is Increasing, but Completion Rates Are Not Keeping Pace

Indiana's four-year universities have experienced unprecedented increases in enrollment, particularly among recent high school graduates. Indiana's new two-year community college system has increased enrollment by 30,000 students in six years.<sup>2</sup> With a 62 percent college-going rate, Indiana now ranks 10th nationally, up from 34th in 1992.<sup>3</sup> Indiana also performs well in the number of bachelor's degrees awarded per 100 high school graduates, ranking 15th nationally.<sup>4</sup> And the number of degrees awarded is rising each year in Indiana.

### Six-Year Graduation Rates at Four-Year Colleges, 2005

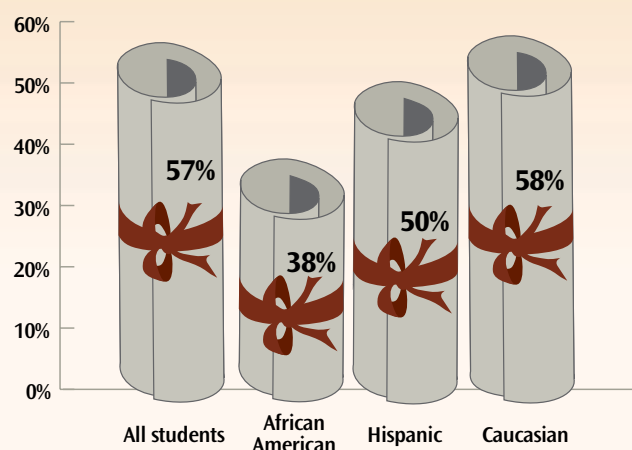


Source: National Center for Education Statistics, IPEDS Graduation Rate Survey

This is remarkable progress, and Indiana's students, education leaders, policymakers and others deserve a lot of credit for these gains. But we still have a long way to go:

- Nearly 30 percent of Indiana public school students drop out of high school each year, a group that includes disproportionately high numbers of low-income and minority students.<sup>5</sup>
- Almost half of students (45 percent) enrolled full time at Indiana's four-year universities fail to earn a degree within six years.<sup>6</sup>
- Fewer than one-quarter (23 percent) of Indiana's full-time community college students complete a degree within three years.<sup>7</sup>
- When disaggregated by race, degree-completion rates are *even more discouraging*.<sup>8</sup>
- To compete internationally, Indiana's students will need to earn an additional 10,000 bachelor's degrees annually.<sup>9</sup>

**Six-Year Graduation Rates of First-Time, Full-Time, Degree-Seeking Students in Public and Private Indiana Colleges, by Race**



Source: National Center for Education Statistics, *IPEDS Graduation Rate Survey*, 2006

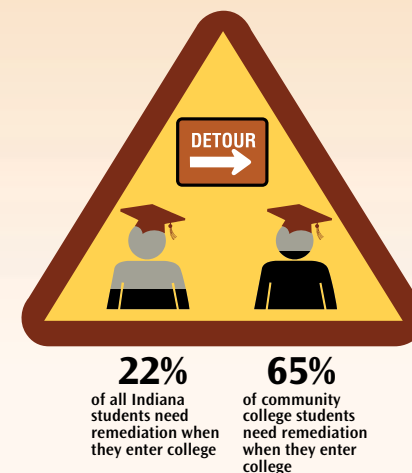
## Too Many Students Are Unprepared for College

Research shows that the single most important factor in student academic achievement is having effective teachers. Ensuring that Indiana's K-12 teachers and school leaders have the preparation they need to help students graduate from high school ready for college is a critical factor in ensuring that students succeed.

Currently 68 percent of Indiana high school students graduate with a Core 40 diploma, which indicates that students have met the state's college and work readiness expectations.<sup>10</sup> Beginning with the class of 2011, Core 40 will be the default high school curriculum for all students as well as the minimum course requirement for admission to Indiana's public four-year universities. However:

- Core 40 end-of-course assessment results indicate *low student proficiency* and *uneven course quality* statewide. Fewer than one-quarter (24 percent) of students passed the Algebra I end-of-course assessment, and slightly more than half (51 percent) passed the English/language arts test in 2006.<sup>11</sup>
- Almost one-quarter (22 percent) of all Indiana students and approximately 65 percent of community college students need remediation when they enter college.<sup>12</sup> Studies show that taking remedial classes dramatically increases the likelihood that students will not go on to earn a college diploma.

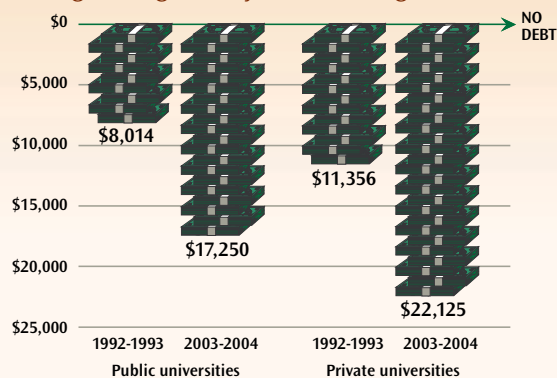
## Percentages of Indiana Students Who Need Remediation



Source: Indiana Commission for Higher Education Data Warehouse, 0607 annual Student Information System data submissions

## Student Debt Burdens

Average College Debt for Graduating Seniors



Source: National Center for Education Statistics, National Postsecondary Student Aid Study

## More Students Graduate from College with Personal Debt

Students and their families nationwide have been bearing more of the costs of higher education. In Indiana, Hoosier families have experienced, on average, a *doubling of tuition and fees* at public four-year universities over the past 10 years.

Although family incomes and

times as likely to default on their loans when compared to student borrowers who complete their degrees.<sup>15</sup>

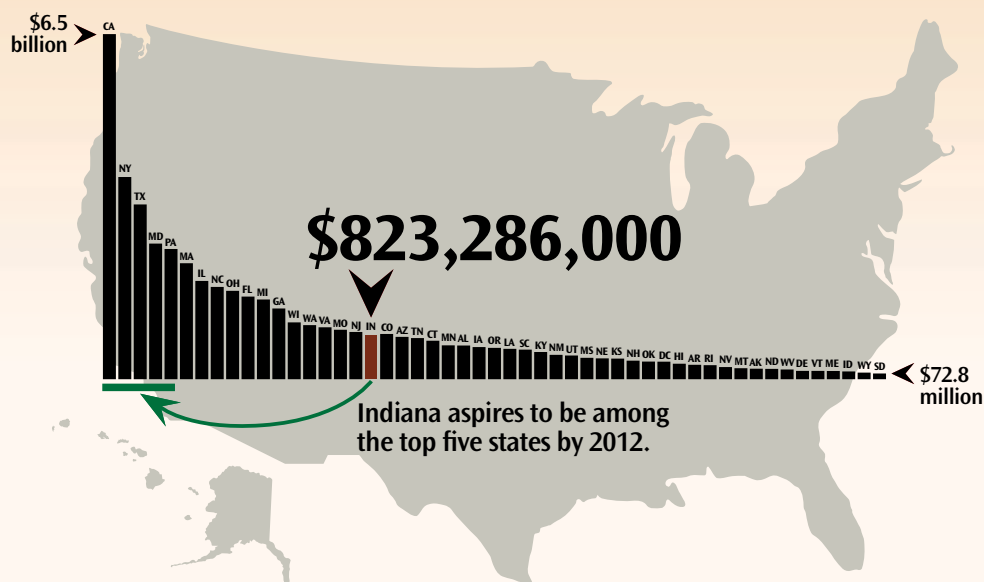
## More Research and Development (R&D) Is Needed

To succeed in the global marketplace, Indiana must be able to educate and attract highly skilled workers, particularly in fast-growing and well-paying occupations that face critical workforce shortages. One key factor is having high-quality major research universities that produce talented graduates, new breakthroughs and products, and new businesses, which result in stronger communities and thriving local economies. While Indiana's total R&D expenditures per capita have improved to be competitive with neighboring states, they still lag the national average.<sup>16</sup>

state financial aid have grown, neither has been able to keep pace with rising college costs. To make up the difference, students are working more at outside jobs, which diverts time from learning. They are relying more on loans and credit cards to finance their education, which saddles them with debt just as they are starting their careers.

- ➔ Nearly two-thirds of students attending our four-year public colleges financed a part of their education through loans in 2004 — compared to fewer than half of students in 1993.<sup>13</sup>
- ➔ Approximately 56 percent of dependent undergraduate students have at least one credit card, and one in four uses it to pay for college tuition.<sup>14</sup>
- ➔ Crippled by debt, many students may leave college before graduation. These students are 10

## Total Science and Engineering Research Expenditures by State (Actual Dollars)



Source: National Science Foundation/Division of Science Resource Statistics, Survey of Research and Development Expenditures at Universities and Colleges, FY2006

## Reaching Higher

On June 8, 2007, the Indiana Commission for Higher Education (ICHE) unanimously adopted *Reaching Higher: Strategic Directions for Indiana*, which was developed through research and discussions with Indiana's higher education, legislative, business and community leaders. The documents outline a set of aspirations and specific goals that taken together will ensure that Indiana has the higher education system it needs and its citizens deserve.

To meet these goals, ICHE has identified and is recommending strategic initiatives in six key focus areas:

- Moving from college access to degree success;
- Preparing K-12 teachers, school leaders and students for college success;
- Ensuring that college is affordable;
- Focusing the role of the community colleges;
- Strengthening Indiana's major research universities; and
- Embracing accountability.

Aspiration	Goal
<i>Indiana's system of postsecondary education will ...</i>	<i>Indiana will ...</i>
Offer quality education to Hoosiers — at a variety of locations and times and in multiple formats.	<b>By 2012:</b> <ul style="list-style-type: none"> <li>■ Rank among the top five states in the percentage of high school graduates immediately going to college.</li> <li>■ Rank among the top 10 states for percentages of adult, minority and low-income students pursuing higher education.</li> </ul>
Ensure that all academically qualified Indiana residents can afford postsecondary education.	<b>By 2009:</b> <ul style="list-style-type: none"> <li>■ Be recognized as a national leader for its coordinated, transparent, easy-to-access financial aid process.</li> </ul>
Prepare all students with the knowledge, skills and credentials they need to succeed in college, careers and citizenship.	<b>By 2012:</b> <ul style="list-style-type: none"> <li>■ Rank among the top 10 states for rates of retention at each post-secondary level, on-time graduation, and the completion of associate degrees (within three years) and bachelor's degrees (within six years).</li> <li>■ Rank among the top 10 states for graduation rates of at-risk students and populations that are under-represented in higher education.</li> </ul>
Help ensure that all recent high school graduates are prepared to immediately start, and succeed in, college-level courses.	<b>By 2012:</b> <ul style="list-style-type: none"> <li>■ Ensure that at least 80 percent of the high school graduating class is prepared to start college without the need for remediation.</li> </ul>
Contribute to a dynamic, cutting-edge economy by collaborating with government and business to create a well-prepared, world-class workforce.	<b>By 2012:</b> <ul style="list-style-type: none"> <li>■ Rank among top Midwestern states for total federal R&amp;D expenditures per capita.</li> </ul>

**For more details about the initiatives and background research, visit [www.che.in.gov](http://www.che.in.gov).**

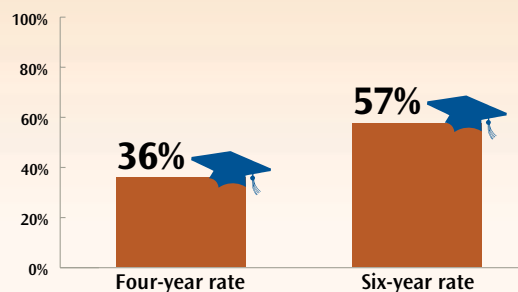


# MOVING FROM COLLEGE ACCESS TO DEGREE SUCCESS

Removing barriers to help more students gain access to a college education has been a primary focus of higher education policy at the national level for six decades, dating back to the landmark GI Bill. These policies have been very successful — college enrollment has increased overall as well as for low-income, minority and female students. In many ways, providing access to college helped build the middle class and has contributed significantly to the nation's — and Indiana's — economic prosperity.

Though Indiana can be proud of broadening *access* to college, these accomplishments have not necessarily translated into degree *success* for all students. College graduation rates in general have not improved dramatically over the past decade.<sup>17</sup>

## Graduation Rates of First-Time, Full-Time Students at Public Indiana Colleges and Universities, 1999 Cohort

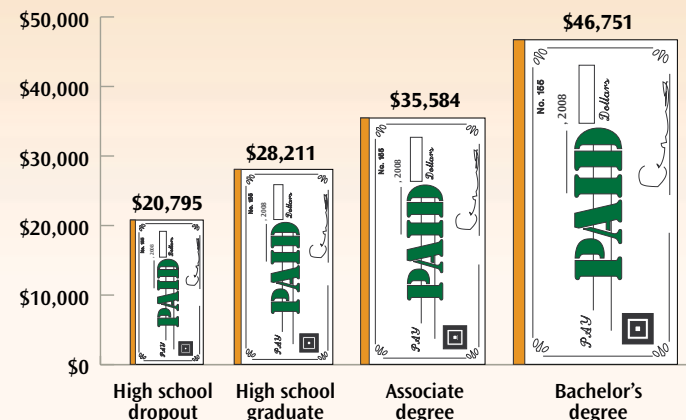


Source: National Center for Education Statistics, IPEDS Graduation Rate Survey, 2006

There are clear economic and personal benefits for earning an associate or a bachelor's degree. Compared to someone with only a high school diploma, persons with a bachelor's degree earn an average of \$18,540 more each year.<sup>18</sup>

Focusing only on going to college and not necessarily on earning a degree may give Hoosier students

## Average Annual Earnings of Full-Time Workers by Degree, 2007



Source: U.S. Census Bureau, Current Population Survey 2007, Annual Social and Economic Supplement

a false sense of security about leaving college before graduation and could jeopardize the state's ability to be competitive in the global economy. *It is time to set our standards higher — access is not sufficient; student persistence and completion must become the new benchmarks.*

To reach this objective, Indiana must:

- ➔ **Restructure higher education state appropriations to focus on degree and course completion rather than enrollment growth.** ICHE recommends Indiana's higher education funding formulas shift from an enrollment-based system to an outcomes-based system that provides financial incentives for increasing:
  - The number of credit/course completions (in lieu of enrollment growth) for each campus.
  - The number of degrees conferred for all campuses.

- *On-time graduation rates* for all campuses.
- The *number of credits transferred* from the community colleges to the four-year institutions.

These outcomes-based incentives should include a *premium for low-income students*, specifically Pell Grant recipients and Twenty-first Century Scholars.

→ **Require colleges and universities to develop, as part of their strategic plans, institutional plans for improving college completion.**

- Plans should include:
  - ◆ *Goals for improving graduation rates* over a five-year and 10-year period, with *specific goals for minority and low-income students*.
  - ◆ *Emphasis on increasing the quality of student learning* by adopting existing measures or identifying other indicators of student learning and publicly reporting the results.
  - ◆ *Progress reports* provided as part of the state's biennial budget process.
- Indiana's colleges and universities should *communicate an expectation* with students and their families that they can *graduate in two years* (associate degree) or *four years* (bachelor's degree).
- Indiana's colleges and universities should investigate and pursue innovative and promising programs, practices and processes to *ensure a culture of college completion*.
- A *statewide forum* should be held each year to allow Indiana's colleges and universities to share strategies, best practices, evaluation and research on persistence and completion efforts.

- To reinforce the importance of improving completion rates, ICHE will *take into account graduation rates* as part of its program-approval process.

→ **Increase expectations for college preparation.**

- Ball State University, Indiana University Bloomington and Purdue University West Lafayette should gradually *raise their curriculum admission requirement to Core 40 with Academic Honors*. The universities must broadly communicate this admission standard to students, their families and high schools to provide ample opportunity for students to plan and prepare.
- Indiana's public four-year universities should *substantially eliminate all remedial courses*. Students who still need remediation should enroll in the local community college to complete the necessary courses before being admitted to a four-year college.
- Indiana's two- and four-year colleges and universities should *develop stronger relationships with the state's high schools* to narrow the gap in expectations between high school and college. This could include:
  - ◆ Instructional alignment between Core 40 courses and key courses in the first year of college.
  - ◆ Feedback reports on the performance of students graduating from all Indiana high schools.
  - ◆ Expanded high-quality dual-credit and Advanced Placement (AP) opportunities in every Indiana high school.
  - ◆ Additional support and professional development for teachers currently in Indiana's classrooms.



# PREPARING K-12 TEACHERS, SCHOOL LEADERS AND STUDENTS FOR COLLEGE SUCCESS

Approximately 3,000 new teachers enter Indiana classrooms each year,<sup>19</sup> and approximately 85 percent of the teachers, administrators, curriculum directors and school counselors working in Indiana's public K-12 schools received their professional training from an Indiana college or university.<sup>20</sup> Because the quality of their teachers is the most important factor in students' success, higher education must be an ongoing partner with K-12 to ensure that the preparation new teachers, school counselors and school leaders receive is relevant and in step with the very real challenges they will face in the classroom.

Today, too many Indiana students are cutting off their chance for college by failing to complete high school — nearly a third of students drop out of high school without graduating.<sup>21</sup> Students — even those who have performed poorly in the past — thrive academically when they have several strong teachers in a row. Conversely, students who have just three consecutive weak teachers perform poorly.<sup>22</sup>

To ensure that Indiana's K-12 teachers and school leaders have the knowledge and skills they need to help students graduate from high school ready for college, the state must:

## Indiana's Education Pipeline

*High School to College Completion*

**Of every 100 Indiana 9th graders:**



**70 students graduate from high school**



**44 of these students enter college**



**32 of these are still enrolled sophomore year**



**23 of these graduate within six years**

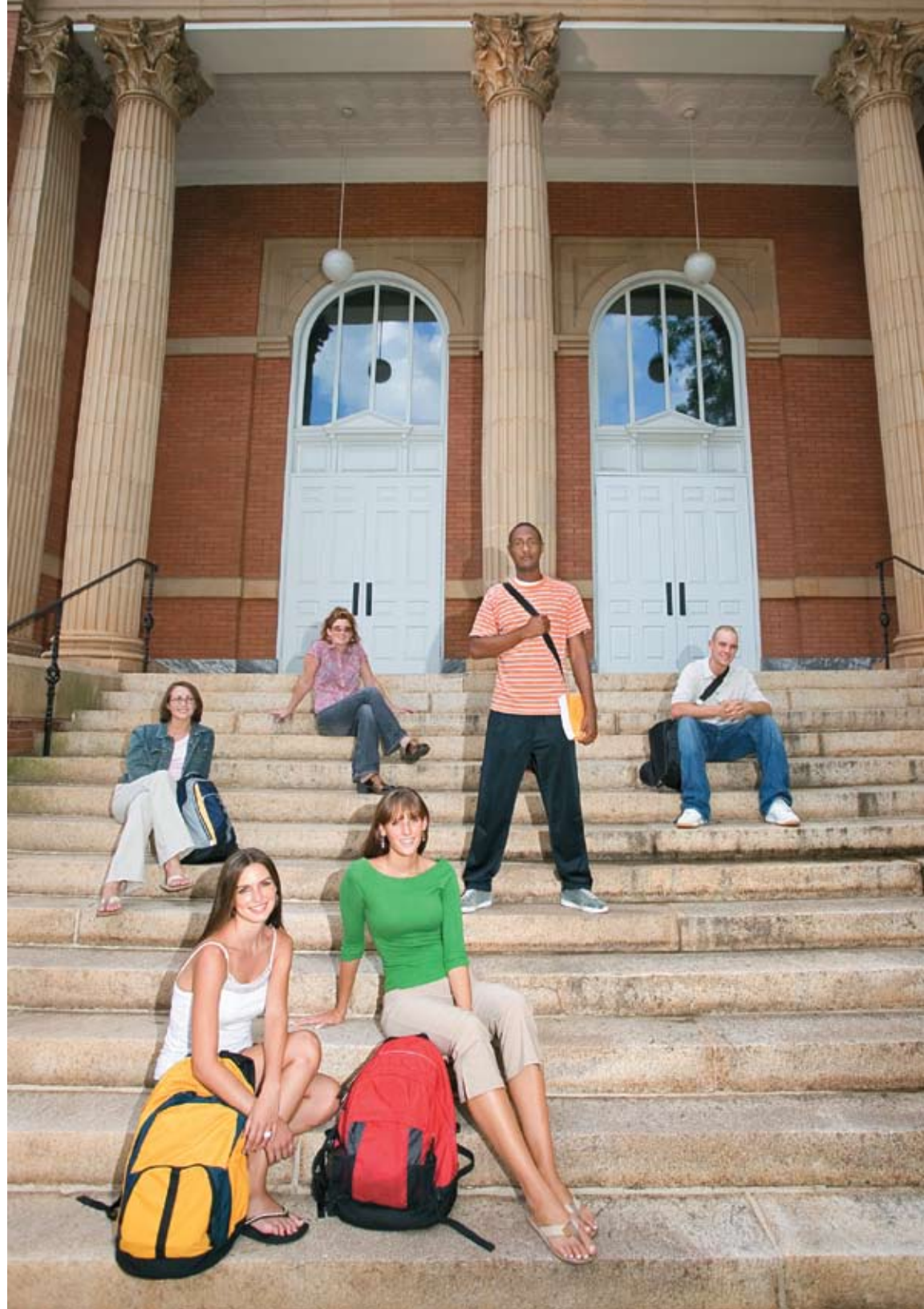


Source: National Center for Higher Education Management Systems, 2008

→ **Make better preparation of K-12 educators and school leaders a top priority** and align resources accordingly.

- *Transform education schools* into professional schools that focus on classroom practice. (Adopt the medical school model.)
- *Regularly review the professional coursework for teacher candidates* to ensure an effective and balanced program of study.
- *Continue developing longitudinal data systems* that record K-16 student-learning growth, and collect and publicize data on the *quality and effectiveness of teacher-education programs* throughout the state.

- **Establish expectations for teacher content knowledge to ensure that teachers are masters of the subject matter they teach.**
  - *Revise standards* for new teachers to provide clear and measurable expectations for entry-level teachers as well as clearly define and set the content-level expectations for teacher-preparation programs.
  - Ensure that teachers *know the science of reading instruction* by adopting more specific teacher standards that reflect the science described in the National Reading Panel's 2000 report *Teaching Children to Read*.
  - Require new teachers to pass a *rigorous test of reading instruction*.
- **Perform research** at the higher education level to inform and assist K-12 educators in improving student achievement and leading effective schools.
- **Ensure that the K-12 system has an adequate supply of qualified teachers** by accelerating the recruitment of the very best into the teaching profession and by providing incentives to pursue teaching careers in subjects such as math, science, world languages and special education.
- **Promote teaching** as a profession that is valued, finding meaningful ways to lift up classroom teaching as a highly respected and appreciated career path.



## Focusing on Student Preparation

In addition to having high-quality teachers and school leaders, another critical factor in student success — and in closing persistent and troubling achievement gaps — is the quality of courses students take. Regardless of whether new high school graduates aspire to careers requiring a college degree, technical certificate or apprenticeship, the prerequisites these days are virtually the same — algebra, geometry, laboratory sciences, world language and strong communication skills.

To ensure that Hoosier students graduate from high school college ready, the state must:

### → **Ensure that high school students have the academic preparation they need to succeed in college.**

- Require students to take a *rigorous math class* their senior year and make *world language* a Core 40 course requirement.
- Encourage more students to complete *Core 40 with Academic Honors* and *Core 40 with Technical Honors*.
- Define a *common college readiness assessment and passing score range* that will be used consistently to determine if students are ready for credit-bearing, college-level coursework and to identify any remedial needs.

- Implement an aligned system of *voluntary college readiness tools* for K-12 students to help them know if they are on track for college.

### → **Focus additional efforts on closing achievement gaps and improving college readiness of low-income and minority students.**

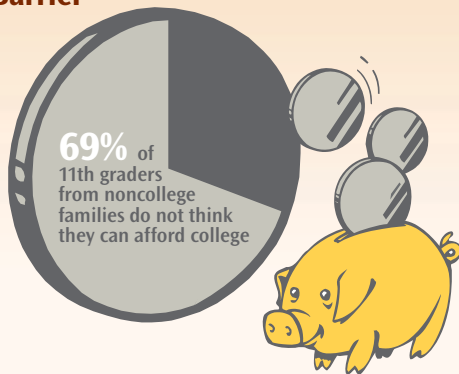
- *Encourage higher education to partner with K-12 schools* to provide “bridge” programs that more actively prepare, support and recruit low-income and minority students into higher education.
- Encourage college faculty to *develop relationships with high school faculty* to support student success in key academic areas and assist with aligning instruction between high school and college.
- Develop targeted initiatives to *provide academic support and acceleration opportunities* for Twenty-first Century Scholars.
- *Disaggregate AP course-taking information* to provide information on who is receiving these opportunities and ensure that those most in need of this rigorous coursework get it.
- *Expand pre-AP, AP and dual-credit opportunities.*



Now more than ever, earning a college diploma has a direct impact on students' future earning potential. Students need a college diploma to get a job that pays enough to support a middle-class lifestyle and provides opportunities for advancement. This is particularly important for students from low-income families who are seeking a better life. Yet the price of college has continued to rise at twice the rate of inflation and outpaces growth in most other costs, including energy, health care and pharmaceuticals.<sup>23</sup>

Three primary factors contribute to these consistent increases in tuition:

#### Students Perceive Cost of College as Barrier



Source: *Indiana's Annual Career and College Information Survey of Students in Grades 9 and 11, 2007*

→ *Competition for labor is intense:* Faculty and staff account for almost 80 percent of the general fund budget. To recruit and retain high-quality faculty, colleges have to provide competitive wages and benefits.

→ *Demand is up:* Over the past six years, Indiana has enrolled more than 65,000 additional students at the postsecondary level, primarily at the community college.<sup>24</sup> Approximately 62 percent of Indiana's high school graduating class will go to a two- or four-year college immediately (as compared to 56 percent nationally), and even more will enroll within five years of high school graduation.<sup>25</sup>

→ *State appropriations have not kept pace:* Although the Indiana General Assembly has consistently increased funding for public higher education, the share of state tax support allocated to higher education has decreased over the past two decades.

Traditionally, paying for public higher education has been a shared responsibility between the state and students, but now the burden is shifting to the student. In the 1970s, students and their families nationwide — as well as in Indiana — paid about one-third of the cost of college; in 1995, they paid 40 percent; and in 2005, 50 percent.<sup>26</sup> The average debt load for a student graduating from a four-year college is now \$17,250.<sup>27</sup>

Indiana aspires to provide every qualified Hoosier high school graduate a high-quality postsecondary education regardless of financial need. To reach this goal, Indiana must:

→ **Raise awareness among students and parents of both the value of early planning and the availability of student financial aid for Indiana families.** To do this, Indiana will need to deliver a multifaceted and well-integrated effort consistently over time, including:

- Establishing a “College Day” to provide college and financial aid information to every student at every high school in the state, including hands-on assistance for seniors in completing financial aid forms and college applications.
  - Expanding the *Twenty-first Century Scholars enrollment program*, targeting students who currently qualify but are not participating.
  - Developing *annual institutional reports* that track the enrollment, persistence and completion rates of low-income students, particularly for those students receiving financial aid.
- **Ensure that Indiana’s March 10 deadline for financial aid is not a barrier to enrolling in or completing college**, particularly for community college students, who may not make the decision until after the financial aid deadline has passed.
- Establish a *financial aid program for Ivy Tech Community College* that is separate from the traditional state aid program, which would allow students to apply any time and be awarded on a first-come, first-served basis.
- **Simplify Indiana’s state financial aid program** by limiting the factors for determining financial aid packages to include only family income and family size.
- **Ensure affordable opportunities for middle-income students** through strategies such as:
- *Raising income eligibility limits* so more students can participate in the Twenty-first Century Scholars program.
  - *Modifying Indiana’s student aid formula* to provide assistance on a sliding scale up to perhaps \$55,000 for a family of four.

### Share of College Costs Paid for by Students and Families



Source: Indiana Commission for Higher Education

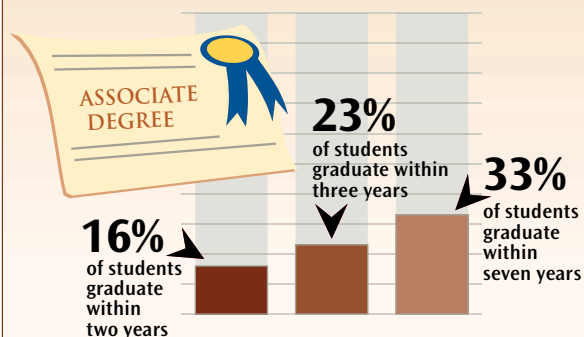
- *Providing the first two years of college free* to families with incomes less than \$55,000.
  - *Providing the first two years of education for free at a community college or perhaps a regional campus.*
- **Encourage Indiana’s colleges and universities to design need-based financial aid programs** that “wrap around” and leverage the Twenty-first Century Scholars program.
- **Expand the Part-Time Grant program** to reflect rising numbers of part-time students.
- Focus eligibility on *working adults* and restore emphasis on degree completion.
- **Create more predictability and transparency** in the setting of tuition rates in Indiana’s colleges and universities.

# FOCUSING THE ROLE OF THE COMMUNITY COLLEGES

The state's community college system plays a critical role in a comprehensive, integrated system of postsecondary education. It provides a postsecondary option that is local, has low tuition and offers expanded general education courses for students who want to earn an associate degree or need coursework before transferring to a four-year university.

It also provides flexibility for working adults to continue their education and for students to receive workforce training to meet business needs. In Indiana, more than 900,000 working-age adults have not completed high school, speak little or no English, or earn less than a living wage — a segment of the population that needs support to become employed or advance in their careers.<sup>28</sup>

## Graduation Rates of Full-Time Ivy Tech Community College Students



Source: Indiana Commission for Higher Education

Yet even with the substantial enrollment increase of more than 30,000 students since 2000, Ivy Tech Community College of Indiana enrolls only 33 percent of all students attending a public postsecondary institution, compared with a national average of approximately 45 percent.<sup>29</sup> And far too few of these students go on to earn a degree, a challenge faced by community colleges nationwide.

Fewer than one-quarter of full-time Ivy Tech students seeking an associate degree graduate within three years, and only 15 percent of part-time students graduate within seven years.<sup>30</sup> Clearly, community colleges face significant challenges in raising degree completion rates, including:

- ➔ Community colleges are open enrollment and tend to attract and enroll students from the bottom half of the high school class as well as older working adults.
- ➔ Approximately 70 percent of incoming students at Ivy Tech need remediation.<sup>31</sup>
- ➔ Community college students frequently work and raise families while going to school.
- ➔ Some students attend a community college for specific courses with no intent of completing a degree.

In addition, of all the higher education students, those at community colleges are most affected by price increases, and cost can be a significant factor in whether students enroll in community college and go on to earn a degree. Over the past 10 years, community college tuition in Indiana has increased 46 percent from \$1,937 to \$2,819 per year, which is significantly lower than the average tuition increase at community colleges nationwide but still presents a challenge for many students.<sup>32</sup>

Many community college students are older and/or independent students who no longer receive financial support from their parents. Many also are first-generation students from low-income families and may not decide to apply until after the March 10 financial aid



deadline. Because the majority of community college students attend part time, they are not eligible for federal Pell Grants unless they enroll in at least six credit hours.

To raise community college graduation rates and focus the role of Ivy Tech Community College of Indiana, the state must:

- **Continue efforts to define, brand and publicize** how a comprehensive community college can benefit Indiana's citizens, communities and economy.
- Develop, refine and bring to scale innovative instructional models to **increase the number of high school graduates** who immediately continue on to college and graduate with an associate degree. These innovative models might include:
  - *Sequencing courses and providing a full-day format* so students can earn an associate degree in as little as one year.
- Develop, refine and bring to scale innovative instructional models to **increase the number of working adults** who attend college, acquire workforce skills and graduate with an associate degree. Components of these innovative models might include:
  - Refining and expanding the current pilot of the *College for Working Adults*, which offers shorter courses and focuses on helping students earn a degree more quickly.
  - *Embedding remedial education* into workforce instruction.
  - *Sequencing and formatting all courses needed for specific programs* so students can earn their associate degree on time in two years.
  - *Identifying benchmarks* at key points that can motivate students to continue.

→ **Provide any necessary remedial education** and develop, refine and bring to scale innovative models for successfully addressing students' needs as quickly as possible. Strategies might include:

- Establishing a *clear plan for remediation*, including establishing a floor for remedial instruction offered by Ivy Tech and options such as adult basic education for students who need even more intensive support to catch up.
  - *Colocating adult basic education centers* on Ivy Tech Community College campuses, where possible.
- **Ensure that the cost of attending community college is as affordable as possible** by keeping the percentage of family income necessary to pay tuition and fees at Ivy Tech at or below the national average. (See additional recommendations for making college affordable on page 10.)
- **Identify a core of general education courses that transfer as a block** to all public universities and that count toward meeting most or all university general education requirements.
- **Meet current high-demand and future workforce needs** by:
- Providing *state funding for workforce training* delivered by Ivy Tech on site at a business.
  - Coordinating and providing *financial incentives* for Ivy Tech to increase the number of third-party certificates earned and independently certified by business and industry.
- **Be creative and cost effective in adding new space**, such as collocating new facilities on or adjacent to the campuses of four-year institutions and/or community organizations, wherever possible.

# STRENGTHENING INDIANA'S MAJOR RESEARCH UNIVERSITIES

Since World War II, major research universities have been the primary drivers of innovation for advancing engineering, technology, medicine and intellectual property. Strong research universities are magnets for the talented, high-performing students, faculty and knowledge workers who will be the state's future innovators and discoverers.

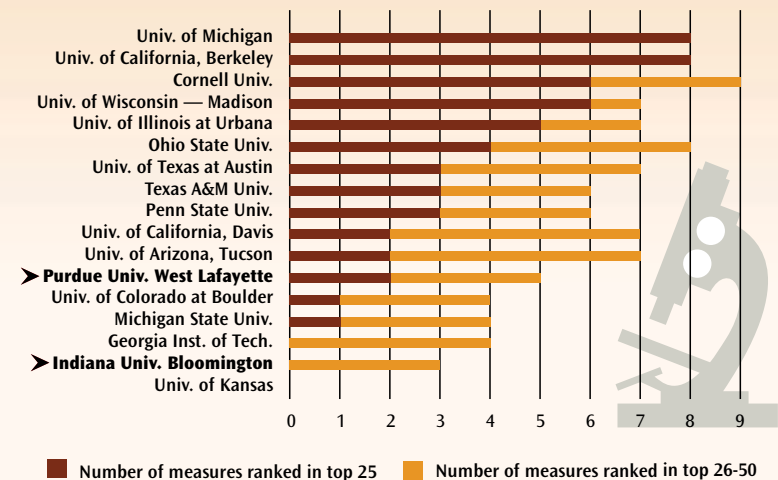
In addition, having a high concentration of researchers in a system of higher education is vital to maximize program effectiveness and compete for scarce federal and private research funding. Therefore, high-quality major research universities are vital to ensuring that Indiana and its citizens are able to compete in the national and global marketplace for ideas, resources and opportunities.

In Indiana, the three campuses that qualify as major research universities are Purdue University West Lafayette, Indiana University Bloomington and Indiana University-Purdue University Indianapolis. To ensure that these campuses continue to serve as major research universities that contribute to Indiana's economic well-being, the state must:

- Require Indiana University and Purdue University, as part of their strategic plans, to **define what it means to be among the best major research universities** in the country and the world, including identifying peer institutions and external rankings to assess progress.

## Top American Universities (2006)

*Ranked by the Center for Measuring University Performance*



Source: Center for Measuring University Performance

- **Identify specific metrics**, including research activity and economic development, and monitor progress toward measurable goals. These metrics also should be used to compare Indiana's performance to peer states.
- **Develop strategies for becoming among the best major research universities in the country and the world**, including:
  - Attracting and retaining *top research faculty*.
  - Identifying and pursuing additional funding to *meet research capacity needs* (details on the next page).

- Improving the *academic preparedness and qualifications of undergraduate students*.
  - Bringing together all relevant research sectors — governmental, economic, university and private — to *create an innovation agenda*.
- **Develop strategies for securing additional funding for research**, including:
- Investigating the possibility of bringing an additional *federally funded research and development center* to Indiana.
  - Expanding existing state funding incentives for research.
  - Improving the availability and flexibility of funds to *match research grants*.
- Exploring funding opportunities to *rapidly transform* the major research universities and bring together a critical mass of research resources, which will create a research culture and help attract new financial and human resources.
  - Encouraging cooperation among campuses and engaging faculty to be proactive in seeking *sponsored research*.
  - Attracting additional *corporate/private sector participation* in research.
  - Coordinating all research sectors to work with Indiana's federal congressional delegation to pursue additional *federal research funding*.
- **Encourage cooperation among Indiana's universities** to secure signature transformative (“super”) projects for Indiana.



# 6 EMBRACING ACCOUNTABILITY

With billions of state and federal dollars invested in higher education annually, discussions about postsecondary accountability have been ongoing at the institutional, state and federal levels for many years. Indiana's *Reaching Higher* plan includes two central and cross-cutting components: quality and accountability. To meet the *Reaching Higher* goals, the state needs a systematic way to measure and report the results of its higher education investments and monitor progress.

ICHE envisions a two-level approach to accountability. First, higher education performance will be assessed at the state level, creating a benchmark to which the state as a whole should aspire for competing effectively with other states and internationally. Second, the performance of each institution will be measured, which will require aligning institutional priorities and state goals and then accurately and consistently publicizing statewide progress toward those goals.

However, as new priorities and better measures emerge, Indiana's accountability system needs to be flexible enough to change. Assessments of student learning, inclusion of independent institutional data and employment data may change the picture that can be reported to the public and others interested in higher education.

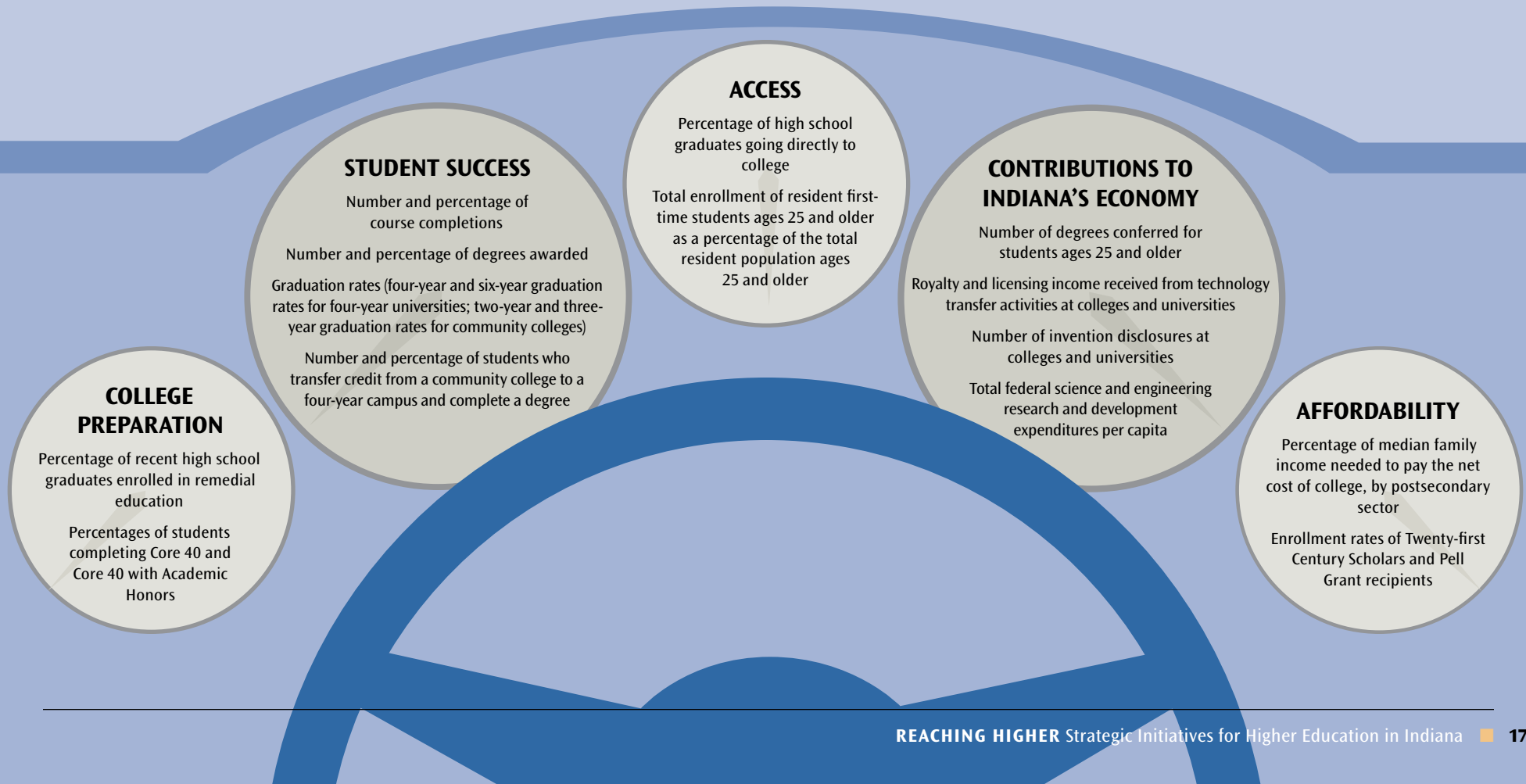
To ensure accountability and monitor progress toward the *Reaching Higher* goals, the state must:

- **Review, refine and finalize a set of state-level indicators that are aligned to the *Reaching Higher* goals**, including:
  - Selecting indicators that *show trends*; include the public and independent postsecondary sectors; and allow for *state, national and international comparisons*, where available.
  - Leveraging *existing data and collection processes*, wherever possible.
  - Developing processes for *collecting essential data elements* that are not readily available.
- **Report annually and publicly** on the state-level accountability indicators.
- **Support efforts by Indiana's colleges and universities to participate in the national Voluntary System of Accountability**, which profiles each college using information such as enrollment rates, degree completion rates, cost, student experiences and perceptions, and student learning.
- **Develop biennial institutional progress reports** that:
  - Identify *in-state and out-of-state peer institutions* for each public college and university.
  - Outline their *institutional goals*, how they will measure progress toward those goals and comparisons with their peer institutions.

- Document efforts to increase *institutional quality*, how they are measuring quality, and the results of these efforts and measurements, including appropriate peer comparisons.
- Identify *productivity, cost-containment and efficiency metrics and strategies* for improvement.
- ➔ **Continue the research support adjustment incentive and additional performance-funding incentives** (degree completion, on-time graduation and transfer) in the state higher education funding formula.
- ➔ **Consider additional ways to incorporate performance-funding incentives** into the state higher education funding formula (e.g., course completions).

## Statewide Accountability Dashboard

### Potential Indicators





## MOVING FORWARD

Implementing the *Reaching Higher* strategic initiatives will require the support of not only higher education and K-12 teachers and school leaders but also policymakers, business leaders, families and communities. We look forward to working together to turn the potential in these strategies into reality and ensuring that all Hoosiers have the education they need to improve our state's economic well-being and quality of life.

*To learn more about the Reaching Higher strategic initiatives and background research, visit [www.che.in.gov](http://www.che.in.gov).*





# ENDNOTES

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## *About the Indiana Commission for Higher Education*

The Indiana Commission for Higher Education is a 14-member public body created in 1971 to:

- Plan and coordinate Indiana's system of higher education;
- Define the missions of Indiana's public colleges and universities;
- Review and recommend operating and capital budget requests and appropriations for the public institutions;
- Approve or disapprove for public institutions the establishment of any new branches, campuses, extension centers, colleges or schools;
- Approve or disapprove for public institutions the offering of any additional associate, baccalaureate, or graduate degree or certificate program of two semesters or more in duration;
- Review all programs of the public institutions and make recommendations to the governing board of the institution, the governor and the General Assembly concerning the funding and the disposition of these programs; and
- Review and recommend budget requests and appropriations for the State Student Assistance Commission.

The governor appoints 12 members, nine representing a Congressional District and three at-large members, to serve terms of four years. In addition, the 1990 Legislature added a student and a faculty representative, who are appointed by the governor for terms of two years. The Commission is not a governing board but a coordinating agency that works closely with Indiana's public and independent colleges.



INDIANA COMMISSION  
for  
HIGHER EDUCATION

**For more details about the *Reaching Higher* strategic initiatives and background research, visit [www.che.in.gov](http://www.che.in.gov).**

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